Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

UNITED STATES DEPARTMENT OF AGRICULTURE

Radio Service

OFFICE OF INFORMATION

LIBRARY RECEIVED ★ JAN 10 1929 ★ U. S. Department of Agriculture

1 m3 Am

Agricultural Situation Review Monday, January 7, 1929.

ANNOUNCEMENT: On the first Monday of each month Station _____ in co-operation with the United States Department of Agriculture, presents a brief review of the agricultural situation as the preceding month ends. This review is a summary of the regular monthly report of the Department of Agriculture, The Agricultural Situation. Today's release sums up some of the outstanding facts of the farm year 1928, as well as the situation in December.

---o^oOooo---

Now we have come to the season for the meetings of boards of directors in all lines of business. At these meetings reports of the year just past are present and analyzed and interpreted and made the basis for going ahead with plans for the coming year.

That is the procedure for business organizations in most fields. But in farming it is different. Farming is not one line of business, but many. It is operated in six million independent units. There is no board of directors to act for agriculture. But the United States Department of Agriculture does prepare reports which each farmer may have, showing the state of the various lines of agricultural industry at the beginning of each month.

In the report for January 1, 1929, naturally the farm year 1928 was summed up in its main outlines. So, if we may imagine ourselves a board of directors for Agriculture, Inc., U. S. A., here's about the way the report of the year's business would come to us:

"The events of 1928 remind us once more that agriculture in this country is a regional industry. As usually happens its progress has been largely a sectional matter. The cattle and sheep sections of the West have had another encouraging season. The Cotton Belt has done fairly well. The dairy industry has done well. But potato growers and many wheat growers have found it a very lean year.

"The total acreage harvested of the chief crops was 361 million acres, an increase over the previous year of nearly 4 million acres. The total output was about 3 per cent greater.

"But larger crops do not always mean more money. The total value of the principal crops, based upon prices December 1 this year, was $8,456,000,000 compared with $8,522,000,000 a year ago. Of course, a considerable portion of the crops will be fed and sold as livestock products, thus somewhat enhancing their final value.

"The decline in wheat prices is reflected presumably in the smaller acreage sown this fall. According to the December estimate, about 9 per cent less wheat acreage was sown this fall than last. But, with average abandonment this winter, this would still leave a little more wheat area to harvest next summer than was harvested in 1928. Low potato prices likewise mean a

smaller planting this coming year, judging from the intention expressed by southern growers to plant a 29 per cent smaller acreage this spring than last.

"The livestock industries have shown up better than have the cash crop during the year past. To be sure, hog prices were below expectations this fall, a development due to several causes, among them the rather heavy run of hogs to market, and the tendency toward slow movement of products, including an accumulation of lard in storage on December 1, about twice the average amount. But cattle raisers have fared reasonably well, and the same may be said of sheep and dairy producers.

"The pig survey made last month shows a fall pig crop about 5 per cent less than the fall crop of 1927, most of the decrease being in the South. It indicates also the probability that from 4 to 7 per cent fewer sows will farrow next spring than did last spring.

"It is estimated that about 20 per cent more feeder cattle than last year moved through the markets into Corn Belt feed lots during the 5 months, July to November. But this movement fell off sharply during November, and it may be doubted whether there is a very much larger total number of cattle on feed now than a year ago. The total number of sheep and lambs on feed in the country was apparently about the same on December 1 this year as last."

That's the general view of the situation. And it is very properly entitled "A Year of Ups and Downs." That's about the way the year was. Spotted. Hard to gather it into any uniform statement. Now take a look at some of the figures and facts on production of the more important lines in farming.

First, there's wheat. On fewer acres than in 1927, more wheat was produced, because of a higher yield per acre. The crop was the fourth largest in the history of the United States, amounting to a little more than 900,000,000 bushels. The average yield is reported at 15.6 bushels per acre, well above the 10-year average of 14 bushels. But this year's crop, although larger than 1927's brought in less money because of the price decline brought about by heavy production of bread grains not only in the United States but in foreign countries.

Then there are feed grain crops. The four important grains in this class--corn, oats, barley, and grain sorghums-- showed a production increase of 10 per cent over 1927. Oats and barley increased most heavily, corn and grain sorghums least heavily. The corn acreage was larger than in 1927; the yield per acre was about the same in the two years. The result was a crop of about 2,840,000,000 bushels, about 3 per cent more than the 1927 crop. But the farm prices on December 1 was slightly higher, so that this year's crop was then worth about 7 per cent more than the 1927 crop.

On December 1, too, the value of this year's cotton lint and cottonseed production in the United States was a little above the value of the 1927 crop of these commodities.

But now we come to a red-ink entry in the ledger of the year 1928. It's on the potato page. The largest potato crop in our history--nearly 463,000,000 bushels-- was worth a third less, on December 1, than last year's about-average crop. The Department of Agriculture now is working on a thorough analysis of the potato situation which will be issued soon.

Somewhat the same situation, although not so extreme, prevails in the tobacco growing regions, where a crop 13 per cent larger than last year's short crop promises to bring smaller gross returns to growers. The quality of flue-cured tobacco appears to be lower than last year, while Burley tobacco seems to be high in quality, though rather light in weight.

In going over the year's results, we shouldn't neglect the dairy industries, which seem to keep plugging along, year in and year out on a fairly profitable basis. This past year butter prices stayed on a remarkably even keel throughout the season. The difference between the highest prices of the year and the lowest was only 8½ cents, little more than half the difference in 1927. During 1928 there appears to have been a slightly smaller output of butter and cheese. In some Eastern dairy areas shortages of fluid milk have been reported. This is especially true in the New York region, where producers have been urged to increase the supply. As the year closed the cheese market was steady, while the butter market "bore watching," according to the dairy products marketing experts.

Nor should we in reviewing the year neglect that other farm "sideline" which rapidly is coming to be an industry in its own right -- the production of eggs and poultry meat. The storage-egg market had its difficulties during the year. On December 1 there were about 600,000 more cases of eggs in storage than on the same date in 1927. The fresh-egg market was fairly steady toward the latter part of the year, however. High quality eggs toward the end of December sold at about the same prices as a year ago. And, by the way, that was the general experience of the year. The high quality eggs maintained good prices, while low quality eggs sold at lower prices than in 1927. During December these lower quality eggs sold at from 4 to 15 cents lower than the same grades did in 1927.

Poultry markets have been firm all fall, in contrast to the nervous egg markets. That is, the poultry markets have been firm except for the turkeys. These went into the Thanksgiving trade at prices which were relatively high to the producers. But the wholesalers who bought from the producer got nipped on the market, so Christmas turkeys returned the producers from 5 to 10 cents per pound less than Thanksgiving turkeys.

So there's a somewhat sketchy picture of the year, Mr. Director of the Farming Industries. But before acting on the basis of it, or of a more detailed study of the past years' record, look into the future, advises the Department of Agriculture. Consider the prices that will probably be prevailing when you market the crops or the livestock you are planning to grow. Department and State Agricultural College men take into account probable supplies and demand for them in making up the annual Outlook reports

which will be issued through the press, by radio, and by addresses and in other ways late this month. You are urged to watch for them.

---ooOoo---

CLOSING ANNOUNCEMENT: That concludes the Agricultural Situation Review, a monthly broadcast of Station____ in cooperation with the United States Department of Agriculture. Another will be issued to you on the first Monday in February.

***